

Message Text

CONFIDENTIAL

PAGE 01 BAMAKO 00835 081726Z

44

ACTION AF-06

INFO OCT-01 EUR-12 NEA-10 ISO-00 CIAE-00 DODE-00 PM-04

H-02 INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 USIA-06 AID-05 COME-00 EB-07 FRB-03 TRSE-00

XMB-02 OPIC-03 CIEP-01 LAB-04 SIL-01 OMB-01 ACDA-05

/107 W

----- 044766

R 081622Z MAR 76

FM AMEMBASSY BAMAKO

TO SECSTATE WASHDC 3415

INFO AMEMBASSY ABIDJAN

RUDHAAGXAMEMBASSY MANAMA 001

AMEMBASSY BONN

AMEMBASSY DAKAR

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY PARIS

C O N F I D E N T I A L BAMAKO 0835

E.O. 11652: XGDS-1

TAGS: PFOR, EFIN, ML

SUBJECT: SAUDI ARABIA BAILS OUT MALI

REF: BAMAKO 0534

1. SAUDI CHARGE, AHMED SALEH, TOLD DCM MARCH 6, IN RESPONSE TO QUESTION, THAT MALIAN VICE-PRESIDENT BABA DIARRA HAD RECEIVED FROM SAUDI GOVERNMENT NOT JUST THE \$6 MILLION REPORTED IN LOCAL PRESS, BUT AN ADDITIONAL \$40 MILLION, OF WHICH \$15 MILLION WAS FOR THE SELINGUE DAM, AND THE REMAINING \$25 MILLION A CASH GRANT FOR BUDGET SUPPORT. SALEH POINTED OUT THAT ADDING THE ABOVE \$46 TO THE PREVIOUSLY PROMISED \$30 MILLION BROUGHT TOTAL SAUDI AID TO MALI TO \$76 MILLION. DCM SAID THAT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BAMAKO 00835 081726Z

DAY AFTER BABA DIARRA RETURNED TO BAMAKO SOME

CIVIL SERVANTS RECEIVED THEIR JANUARY PAYCHECK.
SALEH LAUGHED AND SAID THAT WAS ONE PURPOSE OF THE
CASH GRANT.

2. WHAT HAS HAPPENED IS THIS: MALIANS IMPORTED
MORE IN 1975 THAN THEY COULD PAY FOR; THE FRENCH
SUPPORTED THE MALIAN FRANC, BUT APPARENTLY CALLED A
HALT; MALIAN GOVERNMENT PERSONNEL COSTS RAN OUT OF
CONTROL; THE MALIANS THEN TURNED TO THE FRENCH FOR
ADDITIONAL FUNDS FOR BUDGET SUPPORT AND A GUARANTEE
OF CONTINUED SUPPORT FOR THE MALIAN FRANC. THE FRENCH,
HOWEVER, TRYING TO END THIS ANNUAL DEMAND BY THE
MALIANS, EVIDENTLY AGREED IN EARLY FEBRUARY (REFTTEL)
TO PROVIDE A CERTAIN LEVEL OF SUPPORT, BUT NOT ENOUGH
TO SOLVE MALI'S PROBLEMS. THE FRENCH DEMANDED CERTAIN
REFORMS, AS THEY DO EVERY YEAR, AND GAVE THE MALIANS
THREE MONTHS TO STRAIGHTEN THEMSELVES OUT. THE BASIC
REQUIREMENT WAS TO CUT THE BUDGET AND TO BRING PERSONNEL
COSTS UNDER CONTROL IN THE STATE ENTERPRISES.

3. BABA DIARRA THEN FLEW TO SAUDI ARABIA, KUWAIT AND
POSSIBLY TO QATAR AND BAHRAIN TO SEEK FINANCIAL AND
ECONOMIC AID. HE RETURNED WITH THE \$46 MILLION
ADDITIONAL FROM SAUDI ARABIA, AND PROBABLY ADDITIONAL
FUNDS FROM THE OTHER STATES. A DELEGATION FROM QATAR,
ACCORDING TO SAUDI CHARGE, IS DUE IN BAMAKO SOON.

4. THE RESULT OF BABA DIARRA'S SUCCESSFUL TRIP IS
THAT THE MALIANS DO NOT HAVE TO ACCEPT FRENCH DEMANDS
TO BRING COSTS AND PERSONNEL PRACTICES UNDER CONTROL.
FRENCH FINANCIAL LEVERAGE VANISHES, ALTHOUGH THEY
CONTINUE TO PAY A HIGH PRICE--PERHAPS \$60-70 MILLION
TOTAL A YEAR IN MALI. THE SOVIETS REMAIN SECOND ONLY
TO THE FRENCH IN INFLUENCE IN MALI, PAY NOTHING, BUT
LOSE AN OPPORTUNITY TO EXPLOIT MALIAN WEAKNESS.
THE CONSERVATIVE ARAB STATES CHECK THE SOVIETS AND
CHINESE, BUT GET LITTLE ELSE FOR THEIR ENORMOUS
EXPENDITURES. THE MALIANS GET THROUGH ANOTHER YEAR,
CONVINCED OF THE WISDOM OF A RADICAL FOREIGN POLICY WHICH
NETS THEM AID FROM ALL SIDES. THE U.S. GAINS NOTHING,
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BAMAKO 00835 081726Z

BUT PAYS NOTHING IN DIRECT BUDGET SUPPORT. THE MAIN
BENEFIT TO AMERICAN INTERESTS IS THAT WE ARE NOW IN
A POSITION TO ASK FOR SAUDI HELP IN MODERATING MALIAN
RADICALISM ON A KEY ISSUE LIKE PUERTO RICO. IF THE
SAUDI'S ARE WILLING TO PAY ENORMOUS SUMS TO CHECK SOVIET
INFLUENCE, THE SAUDI'S MIGHT BE WILLING TO WORK TOWARD
THE SAME GOAL BY WARNING THE MALIANS THAT A VOTE AGAINST
THE U.S. ON PUERTO RICO WOULD SO DAMAGE MALIAN-U.S.

RELATIONS THAT ONLY THE SOVIETS WOULD BENEFIT. SUCH
A WARNING WOULD COST THE SAUDI'S NOTHING AND WE
BELIEVE THAT CHARGE SALEH HERE MIGHT BE WILLING
TO DO SO EVEN WITHOUT INSTRUCTIONS. IN ANY EVENT,
IT WOULD BE HELPFUL IF EMBASSY JIDDA WOULD ADVISE
ON POSSIBILITY THAT SAUDI'S WOULD BE HELPFUL SHOULD
SALEH DEMUR.

5. FEDERAL REPUBLIC OF GERMANY ALSO HAS LARGE AID
PROGRAM IN MALI AND IS CONCERNED OVER SOVIET INFLUENCE.
CAN BONN ADVISE ON POSSIBILITY OF GDR INSTRUCTING
ITS AMBASSADOR HERE TO MAKE DEMARCHE TO MALIANS ON
PUERTO RICAN ISSUE?
NEW GERMAN AMBASSADOR IN BAMAKO, HANS ALBRECHT SCHRAEPLER,
IS EXCEPTIONALLY ABLE AND ACTIVE AND WOULD PROBABLY
CARRY OUT SUCH INSTRUCTIONS EFFECTIVELY.
MCGUIRE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, BUDGETS, FOREIGN ASSISTANCE, LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BAMAKO00835
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X1
Errors: N/A
Film Number: D760087-0852
From: BAMAKO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760386/aaaacxod.tel
Line Count: 132
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 BAMAKO 534
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags:
Review Date: 20 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 APR 2004 by ElyME>; APPROVED <16 AUG 2004 by BoyleJA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SAUDI ARABIA BAILS OUT MALI
TAGS: PFOR, EFIN, ML, SA, (DIARRA, AMADOU BABA), (SALEH, AHMED)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006